

**Lower Snake River Juvenile Salmon Migration
U.S. Corps of Engineers**

Representing the
Montana Grain Growers Association
and the
Montana Wheat and Barley Committee
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Kalispell Mt.

Members of the Corps, I am Bruce Tutvedt, a farmer from Kalispell Mt. representing the Montana Grain Growers and the Montana Wheat and Barley Committee. These Groups encompass more than 3500 farming families across Montana. We would like to address the economic and environmental impacts of alternative #4, as they would affect Montana.

Breaching

Breaching the dams will cost Montana producers 50 million dollars in increased freight rates. The DREW Transportation Work Group's Analysis is deeply flawed. Railroads always charge what the market will bear; one only has to look at Montana's history to see this. Probable market rates must be used in the absence of competition, not opportunity costs. The maximum freight rate charged by railroads is the total of truck and barge rates to Portland. When either truck rates or barge rates increase, the railroad will move to capture increased profits in this new less competitive market. There are 220 million bushels of wheat and barley shipped out of Montana yearly at a cost of well over \$200 million dollars. A 25% increase in freight costs in Montana is a probable outcome of alternative #4. Breaching

Montana agriculture is in a World Market that will not allow price increases because of a change in infrastructure in the Columbia Basin. The producer, not the market, will incur all negative price changes from a change in infrastructure.

Montana is 50th in the nation in earned income and is highly dependant on large tract agriculture. Farm families in Montana are in a financial crisis, some are making decisions to forgo health insurance for their families because of a lack of income, there is no extra money. A mid size farm in Montana could see a \$12,000 drop in income with alternative #4.

Large tract farms in Western Montana are at financial crossroads. Either we continue, or we succumb to small acre subdivisions. On my farm we recently observed 13 bald eagles feeding on wild ducks and geese. Coyotes and pheasants abound. If, by choosing alternative #4 you raise agriculture's freight rates and electrical rates, many farms will lose the fight to stay in business. With the loss of agriculture, so goes our great heritage of habitat for all wild animals. The Northwest is heavily dependent on our economical hydro electricity. With our expanding population and new economies, we are on the verge of needing more electricity. Hydropower is clean, renewable and affordable. We would like to hear how the advocates of alternative 4 propose to replace this power. Nuclear power or coal generation both have negative environmental impacts, but seem to be the only alternatives available.

Small changes in the dam operation will have devastating effects on the quality of life for people and the animals of the Northwest. The power to ruin forever, large portions of Montana rests in your hands. Please go slow and make sure your choice looks at total human and environmental costs of whatever alternative you choose.

The Montana Grain Growers and the Montana Wheat and Barley Committee are seeking balanced solutions. We are willing to take an honest look at improving habitat, harvest, hydropower and hatchery operations, but we are opposed to any options that include dam breaching.